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10 UNITED STATES BANKRUPTCY COURT
11 SOUTHERN DISTRICT OF CALIFORNIA

12 In re:

13 SEAN PAUL NEVETT and
14 SHANNON LEE NEVETT,
15 Debtors.

16 LESLIE T. GLADSTONE, Chapter 7
17 Trustee,
18 Plaintiff,

19 v.

20 A1 GROUP, INC., a Nevada corporation *fka*
21 FREEBUTTON, INC.,
22 Defendant.

Case No.: 15-07986 -CL7

Adv. No.:

**COMPLAINT FOR AVOIDANCE AND
RECOVERY OF FRAUDULENT
TRANSFERS AND DISALLOWANCE OF
CLAIM**

[11 U.S.C. §§ 502, 544, 548, 550;
Cal. Civil Code §§ 3439, *et seq.*]

Date: None Set
Time: None Set
Dept: Five (5)
Honorable Christopher B. Latham

23 Plaintiff Leslie T. Gladstone, the chapter 7 trustee (the “**Trustee**” or “**Plaintiff**”) in the
24 bankruptcy case of debtors Sean Paul Nevett and Shannon Lee Nevett (collectively, the “**Debtors**”),
25 by and through her counsel, as and for her Complaint against A1 Group, Inc. (“**Defendant**”),
26 respectfully alleges on behalf of the estate of the Debtors as follows:

JURISDICTION AND VENUE

27 1. This proceeding arises in the bankruptcy case *In re Sean Paul Nevett and Shannon*
28 *Lee Nevett*, Case No. 15-07986-CL7 (the “**Case**”), which was commenced on December 16, 2015

1 (the “**Petition Date**”), when the Debtors filed a voluntary petition under chapter 7 of Title 11 of the
 2 United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the
 3 Southern District of California (the “**Court**”).

4 2. This Court has jurisdiction over this proceeding pursuant to 28 U.S.C. Sections 157
 5 and 1334 and the Bankruptcy Code.

6 3. This adversary proceeding is a core proceeding under 28 U.S.C. Section 157(b) and
 7 this Court may, consistent with Article III of the Constitution, enter final orders or judgments and
 8 conduct a trial absent consent of the parties. If it is determined that this Court may not enter final
 9 orders or judgments or conduct a trial absent consent of the parties, Plaintiff hereby so consents.

10 4. Venue is proper in the Southern District of California pursuant to 28 U.S.C. Section
 11 1409 because the Debtors’ Case is pending in this Court.

12 5. An actual creditor holding an unsecured claim allowable under 11 U.S.C. Section 502
 13 exists as of the date of each of the transfers sought to be avoided herein and as of the Petition Date
 14 pursuant to 11 U.S.C. Section 544(b)(1) including, but not limited to, Lori Perfetto.

15 **PARTIES**

16 6. Plaintiff is the chapter 7 trustee in this Case and was appointed by the United States
 17 Trustee for the Southern District of California on or about the Petition Date to represent the interests
 18 of the Debtors’ estate (the “**Estate**”) in connection with the Debtors’ Case. On or about
 19 December 12, 2017, the Court ordered the substantive consolidation of the Estate and Checkpoint
 20 Marketing, Inc. (collectively, the “**Consolidated Debtors**”).

21 7. Plaintiff is informed and believes and thereon alleges that Defendant is a Nevada
 22 corporation, formerly known as FreeButton, Inc., with its principal place of business located in Fort
 23 Lauderdale, Florida.

24 **SUMMARY**

25 8. Plaintiff is informed and believes and thereon alleges that during the four (4) years
 26 before the bankruptcy filing, the Debtors caused Checkpoint Marketing, Inc., the consolidated
 27 debtor, to transfer a total of \$25,000.00 to Defendant. Plaintiff is informed and believes and thereon
 28

1 alleges that these transfers were part of a fraudulent scheme operated by the Debtors while the
2 Debtors were insolvent.

3 9. Plaintiff seeks to avoid the transfers to Defendant for the benefit of the Estate.

4 **GENERAL ALLEGATIONS**

5 **A. Nevett and Checkpoint**

6 10. **Debtor Sean Paul Nevett** (“Nevett”) resides in Encinitas, California. Plaintiff is
7 informed and believes and thereon alleges that Nevett previously held Series 7 and 63 licenses and
8 worked for various brokerage firms from at least 1990 through 1995. In 1997, Nevett was censured,
9 fined \$4,000, and suspended by the National Association of Securities Dealers (“NASD”) for four
10 business days. In 2003, Nevett settled charges brought by the Securities and Exchange Commission
11 that he had violated Section 5 of the Securities Act of 1933 (the “Securities Act”), and consented to,
12 among other things, entry of a permanent bar from violating Section 5 of the Securities Act, and a
13 two-year bar from participating in the distribution of any penny stock. *SEC v. Nevett*, Civil Action
14 No. 1:03CV01994 (D.D.C. Sept. 25, 2003) (PLF).

15 11. **Checkpoint Marketing, Inc.** (“Checkpoint”) is the now dissolved Nevada
16 corporation formed by Nevett in 2000. Plaintiff is informed and believes and thereon alleges that
17 Nevett is the sole officer, director, and shareholder of Checkpoint. Plaintiff is informed and believes
18 and thereon alleges that Checkpoint had no assets and no employees. Nevett used Checkpoint
19 interchangeably with himself. Nevett used Checkpoint’s bank accounts and American Express
20 credit accounts as his personal accounts. Nevett used Checkpoint’s bank accounts and American
21 Express credit accounts to pay his personal debts, the Debtors’ lavish living expenses, and the living
22 expenses of others. Nevett also used Checkpoint’s bank accounts and credit accounts in furtherance
23 of his fraudulent schemes, described below.

24 **C. Debtors’ Lavish Lifestyle**

25 12. According to the Debtors’ sworn Statement of Financial Affairs and/or their sworn
26 annual U.S. Individual Income Tax Returns, in 2012 the Debtors earned gross income of \$118,655;
27 in 2013 the Debtors earned gross income of \$124,952; in 2014 the Debtors earned gross income of
28 \$125,723; and in 2015 the Debtors earned gross income of \$125,000. The Debtors enjoyed an

1 uber-lavish lifestyle, notwithstanding, by comparison, their comparatively modest, reported annual
2 income.

3 13. During the same period from 2012 to 2015, the Debtors' personal living expenses
4 exceeded \$35,000 per month, on average. They resided in a multi-million dollar, Encinitas beach
5 home, with a monthly first mortgage payment of more than \$6,500. Debtors also maintained a
6 second home at Cabo San Lucas, Mexico. They drove expensive, late-model exotic and/or luxury
7 automobiles by Ferrari, Mercedes-Benz, and Audi, with monthly car payments of more than \$3,500.
8 The Debtors traveled extensively, both domestic and international. They wintered in Aspen and at
9 Montage Deer Valley. In the spring, they travelled to Louisville, Kentucky for horse racing events,
10 including the Kentucky Derby. Nevett paid for international travel to London, Taipei, Cape Town,
11 Paris, Ibiza, and Athens among other foreign locales. The Debtors made annual travel trips to an
12 island in Fiji where they rented the entire island, consisting of 17 private accommodations, for their
13 family and friends.

14 14. Mrs. Nevett devoted much time and expense to personal shopping. During the period
15 2012 to 2015, charges on her Checkpoint-issued American Express card alone averaged
16 approximately \$11,000 to 12,000 per month. The charge history for Mrs. Nevett's Checkpoint-
17 issued American Express card shows charges for regular purchases from upscale clothing/personal
18 merchandise retailers such as Nordstrom's, Saks Fifth Avenue, Neiman Marcus; frequent online
19 purchases from Amazon; dining out and food/grocery purchases; spa and beauty services; and
20 travel.

21 15. The Debtors retained the services of "nannies" to care for their school age/teenage
22 children. The nannies were also provided American Express charge cards that were paid monthly
23 from Checkpoint's bank account at Chase Bank. During the period 2012 to 2015, the credit card
24 charge history by Debtors' nannies averaged nearly \$6,000 per month.

25 16. During the period 2012 to 2015, Nevett's parents and a purported assistant also
26 charged their personal living and travel expenses on Checkpoint's American Express accounts.
27 Specifically, during this period, Nevett's stepfather John Batliner charged more than \$187,000,
28

1 Nevett's mother Ramona Batliner charged more than \$104,000, and Brenna Montano charged more
2 than \$211,000, all for their personal living and travel expenses.

3 **D. SEC Complaint Regarding Fraudulent Stock Manipulation**

4 17. Troy Flowers ("Flowers") is a close friend and business partner of Nevett. Plaintiff is
5 informed and believes and thereon alleges that Flowers resides in Solana Beach, California, that
6 Flowers previously held Series 7, 24, 55, and 63 licenses, and worked for various brokerage firms
7 from at least 1995 through 2000. In 2003, Flowers pleaded guilty to one count of fraud by a broker-
8 dealer to induce the sale of a security in the State of California, and was sentenced to five years of
9 probation. Following a suspension in 2001, Flowers was also permanently barred by NASD in 2002
10 from association with any NASD member in any capacity.

11 18. On or about July 19, 2017, the Securities and Exchange Commission ("SEC") filed a
12 Complaint against Nevett, Flowers, and Flowers's company, Case No. 3-17-cv-01456-JAH-JLB,
13 now pending in the U.S. District Court for the Southern District of California. The SEC alleges that
14 between 2012 and 2014 Nevett and Flowers engaged in a scheme to profit by fraudulently
15 manipulating the price of publicly traded stocks. To accomplish this fraudulent scheme, the SEC
16 alleges that Nevett and Flowers first arranged for the purchase of a public shell company. They then
17 used multiple accounts held in the names of third parties, which Nevett and Flowers controlled, to
18 engage in "matched trading"—trading that appears to involve third parties buying or selling stock,
19 when in reality it was trading by, or controlled by, Nevett or Flowers or both. Lighthouse Holdings
20 Enterprises, Inc., the entity owned by Nevett's stepfather, is named by the SEC as an account holder
21 that appeared to be an unrelated third-party stockholder. This matched trading artificially increased
22 the price of the stock and created the false appearance that there was an active market and real
23 demand for the shares of the new company. Nevett and Flowers then sold their shares of the
24 company on the open market, leaving the company with no funding and a negligible stock value,
25 while shareholders who purchased during the manipulation were left with stock that is virtually
26 worthless.

27 19. The SEC complaint names two companies, Licont Corp. and Artec Global Media,
28 Inc., as two of the companies acquired by Nevett and Flowers in their fraudulent stock manipulation

1 scheme. The SEC alleges that Nevett and Flowers obtained approximately \$3.8 million in illegal
2 proceeds from this fraudulent stock manipulation scheme.

3 20. The SEC alleges that by engaging in this conduct Nevett and Flowers violated
4 Sections 17(a)(1) and (3) of the Securities Act, Sections 9(a)(1) and 10(b) of the Securities Exchange
5 Act of 1934, and Rules 10(b)-5(a) and (c) thereunder. The SEC seeks permanent injunctions
6 prohibiting future violations of the federal securities laws, joint and several disgorgement of the
7 defendants' ill-gotten gains along with prejudgment interest, civil penalties, and a penny stock bar
8 against defendants.

9 21. According to the SEC complaint, Nevett and Flowers both asserted their Fifth
10 Amendment privilege during testimony in the SEC's investigation of their conduct concerning the
11 matters alleged in the SEC complaint.

12 **E. The Debtors' Insolvency**

13 22. Plaintiff is informed and believes and thereon alleges that during at least the four
14 years before the Petition Date (December 2011 to December 2015), the Debtors were insolvent,
15 failed to pay existing creditors or paid existing creditors from funds obtained from new loans at
16 usurious interest rates or from illegal stock manipulations, while syphoning off substantial funds to
17 pay for their lavish lifestyle.

18 23. Plaintiff is informed and believes and thereon alleges that during the four years before
19 the Petition Date, Nevett essentially operated a Ponzi-like scheme in which new lenders were paid
20 from the loan proceeds of later loans or the proceeds of illegal stock manipulation; it was or should
21 have been obvious to Nevett that his purported "business" was losing money; and Nevett was looting
22 money from the loan proceeds for his own benefit in such a way that made it unlikely to impossible
23 that any legitimate business could succeed.

24 24. According to the Debtors' bankruptcy schedules, signed under penalty of perjury, the
25 Debtors incurred the following debts before December 2011 (four years before the Petition Date)
26 that remain unpaid as of the Petition Date:

27 (a) \$25,000 owed to Deanne Gage and incurred in 2006;

28 (b) \$36,731 owed to JPMorgan and incurred in 2006;

- (c) \$900,000 owed to Mitch Pullman and incurred in 2009;
- (d) \$550,000 owed to Steve Zeldin and incurred in 2009;
- (e) \$50,000 owed to Lori Perfetto and incurred in 2010;
- (f) \$200,000 owed to Robert Friedman and incurred in 2010; and
- (g) \$100,000 owed to Robert Walsh and incurred in 2011.

25. According to the Debtors' bankruptcy schedules, all the above described debts, which total **\$1,911,731**, are liquidated and neither contingent nor disputed.

26. According to the SEC Complaint, Nevett and Flowers began their fraudulent stock manipulation scheme by at least 2012.

27. Plaintiff is informed and believes and thereon alleges that on or about May 28, 2015, a complaint was filed against Nevett in the case entitled *BQR Capital, LLC v. Nevett*, Case No. 30-2015-00790261, in California Superior Court, County of Orange. The Complaint alleges causes of action for Breach of Fiduciary Duty, Fraud–Intentional Misrepresentation; Negligent Misrepresentation; Negligence; Wash Trading; Market Manipulation; and False Statements Re Securities and prays for an award of damages of at least \$1,100,000.

28. According to the Debtor's bankruptcy schedules, as of the Petition Date, the Debtors had approximately \$5,982,062 in liabilities and approximately \$1,720,000 in assets. Plaintiff is informed and believes and thereon alleges that most of the Debtors' assets are uncollectible.

29. Plaintiff is informed and believes and thereon alleges that, at the time the transfers were made to Defendant, the Debtors' financial condition was such that the sum of the Debtors' debts was greater than all of their property, at a fair valuation.

30. The unsecured claims currently filed in this Case total more than \$82 million.

31. Plaintiff is informed and believes and thereon alleges that the funds in the Estate are insufficient to pay all allowed claims in full.

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1 **F. During the Four Years Before the Petition Date, Nevett Obtained New Loans from**
2 **Third Parties at Usurious Interest Rates to Pay Prior Loans or American Express**
3 **Charges.**

4 32. Plaintiff is informed and believes and thereon alleges that in 2008 Nevett obtained
5 loans from unrelated third parties and used the loan proceeds to invest in the stock of a few local
6 businesses.

7 33. Plaintiff is informed and believes and thereon alleges that the interest rate on at least
8 one loan obtained by Nevett in 2009 (from Steven Zeldin for \$300,000) was 18% annually.

9 34. Plaintiff is informed and believes and thereon alleges that the interest rate on at least
10 two loans obtained by Nevett in early 2010 (from RFF Family Partnership, L.P. for a total of
11 \$450,000) was 2.5% per month (approximately 26.82% annually).

12 35. Plaintiff is informed and believes and thereon alleges that by 2011 and continuing to
13 the Petition Date, Nevett borrowed money from several individuals and entities, paying 12%–30%
14 interest and used the loan proceeds—not for legitimate investment purposes—to pay off lenders on
15 earlier notes or to pay Checkpoint’s American Express charges.

16 36. Plaintiff is informed and believes and thereon alleges that from 2011 to the Petition
17 Date neither Nevett nor Checkpoint operated a legitimate business.

18 **G. During the Four Years Before the Petition Date, Nevett Used Checkpoint’s American**
19 **Express Accounts for Fraudulent Purposes.**

20 37. From 2011 to the Petition Date, Checkpoint had three American Express accounts
21 (accounts ending -3009, -8004, and -9002, which was a replacement account for -8004).

22 38. Plaintiff is informed and believes and thereon alleges that Checkpoint’s American
23 Express account ending -3009 was used primarily by Nevett’s parents, John and Ramona Batliner,
24 and Brenna Montano for various personal living and travel expenses, and also by yet other persons
25 responsible for caring for the Debtors’ school age/teenage children.

26 39. Plaintiff is informed and believes and thereon alleges that Checkpoint’s American
27 Express accounts -8004 and -9002 were used by Nevett and debtor Shannon Nevett for personal
28 living and travel expenses.

1 40. Plaintiff is informed and believes and thereon alleges that Checkpoint's American
 2 Express accounts -8004 and -9002 were also used by Nevett or Flowers or both to transfer
 3 substantial amounts of money to companies owned by Robert Wheat (Advanced Solar Technologies,
 4 Inc. and Solar Tech, Inc.), companies in which Flowers was or became invested (Buggy World and
 5 San West, Inc.), and companies alleged by the SEC to have been part of the stock manipulation
 6 scheme (Artec Consulting Corp.).

7 41. Plaintiff is informed and believes and thereon alleges that from March 2014 through
 8 October 2015, Nevett or Flowers or both transferred at least \$1.5 million to San West, Inc. by way of
 9 charges to Checkpoint's American Express accounts. Plaintiff is informed and believes and thereon
 10 alleges that many of the American Express charges paid to San West, Inc. correspond to a bank wire
 11 transfer deposit a few days later from San West, Inc. to Checkpoint's Chase checking account -7491
 12 in an amount more or less equal to the amount of the charge less approximately 4.0%. Plaintiff is
 13 informed and believes and thereon alleges that, because payment for the charge(s) on the American
 14 Express account were not due until approximately 30 days after the end of the then-billing cycle,
 15 Nevett used these American Express charges paid to San West, Inc. and the cash proceeds wired by
 16 San West, Inc. to the Debtors' Checkpoint bank account as a mechanism to obtain, from the
 17 unwitting American Express, short-term loans and/or cash advances totaling more than \$1.1 million,
 18 for an approximate 4% discount fee.

19 42. Robert Wheat ("**Wheat**") is one of Nevett's closest friends since college. Plaintiff is
 20 informed and believes and thereon alleges that Wheat formed Advanced Solar Technologies, Inc., a
 21 California corporation, in 2004 and is the company's Chief Executive Officer. Plaintiff is also
 22 informed and believes and thereon alleges that Wheat formed Solar Tech, Inc. (now Solar Tech
 23 Energy Systems, Inc.), a California corporation, in 2004 and is the company's sole officer, director,
 24 and owner.

25 43. Plaintiff is informed and believes and thereon alleges that from November 2011 to
 26 October 2015, Nevett transferred more than \$1.7 million to Advanced Solar Technologies, Inc. and
 27 Solar Tech, Inc., two companies owned by Wheat. These transfers were likewise made by way of
 28 charges to Checkpoint's American Express Accounts. Nevett testified that these transfers were not

used to purchase solar equipment. Plaintiff is investigating the benefit, if any, Debtors received for these transfers.

44. Plaintiff is informed and believes and thereon alleges that, at the time of the transfers to Defendant, Defendant was or should have been aware of Nevett's fraudulent schemes.

H. Substantive Consolidation of the Estate and Checkpoint Marketing, Inc.

45. On November 2, 2017, Plaintiff filed a motion in the Debtors' Case to substantively consolidate the Estate and Checkpoint retroactive to the Petition Date for the purpose of providing standing to Plaintiff to pursue avoidable transfers, which were caused by Nevett and made by Checkpoint, for the benefit of creditors in this Case. No opposition to Plaintiff's motion was filed.

46. On or about December 12, 2017, the Court granted Plaintiff's motion and ordered the substantive consolidation of the Estate and Checkpoint retroactive to the Petition Date. As a result, property of the Estate includes all property of Checkpoint and Plaintiff has standing to pursue avoidance of transfers of Checkpoint's property under Sections 544, 547, and 548 of the Bankruptcy Code.

I. The Transfers to Defendant

47. Plaintiff is informed and believes and thereon alleges that during the four (4) years before the Petition Date, Nevett caused Checkpoint to transfer a total of \$25,000.00 to Defendant (each a "Transfer" and collectively, the "Transfers") by charges to Checkpoint's American Express account number ending -8004. A schedule of the Transfers is shown below.

Date	Method of Transfer	Payee	Amount
2/8/2013	Amex -8004	FreeButton, Inc.	\$5,000.00
3/15/2013	Amex -8004	FreeButton, Inc.	\$20,000.00
TOTAL			<u>\$25,000.00</u>

A copy of each Transfer is attached hereto as Exhibit A.

48. Plaintiff is informed and believes and thereon alleges that Defendant has not repaid to the Debtors or the Estate the funds paid to it.

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49. To the extent Defendant has filed a proof of claim in the Debtors' Case or has otherwise requested payment from the Debtors, the Estate, or the Trustee (collectively, the "Claims"), this Complaint is not intended to be, nor should it be construed as, a waiver of Plaintiff's right to object to such Claims for any reason, including, but not limited to, 11 U.S.C. Section 502, and such rights are expressly reserved. Notwithstanding this reservation of rights, Plaintiff seeks certain relief under 11 U.S.C. Section 502 as set forth below.

FIRST CLAIM FOR RELIEF
Avoidance of Fraudulent Transfers
(11 U.S.C. §§ 544, 548(a)(1)(A), California Civil Code §§ 3439, *et seq.*)

50. Plaintiff realleges and incorporates by reference in this claim for relief Paragraphs 1 through 49 of this Complaint as though fully set forth herein.

51. The Transfers were transfers of an interest of the Consolidated Debtors in property.

52. The Transfers were made on or within four (4) years before the Petition Date.

53. Plaintiff is informed and believes and thereon alleges that the Transfers were made to or for the benefit of Defendant.

54. As alleged above, Plaintiff is informed and believes and thereon alleges that, during the four years before the Petition Date, Nevett operated a Ponzi-like scheme.

55. Plaintiff is informed and believes and thereon alleges that the Transfers to Defendant were made as part of this scheme.

56. Plaintiff is informed and believes and thereon alleges that the Transfers to Defendant were therefore made with the actual intent to hinder, delay, and/or defraud the Debtors' creditors.

57. Plaintiff is informed and believes and thereon alleges that, at the time the Transfers were made, the Debtors were insolvent or suffering unmanageable indebtedness.

58. The Transfers constitute fraudulent transfers under 11 U.S.C. Sections 544 and 548(a)(1)(A), and California Civil Code Sections 3439, *et seq.*, and are therefore avoidable by Plaintiff.

59. At the time the Transfers were made, a creditor existed who held an unsecured claim allowable under 11 U.S.C. Section 502, including, but not limited to, Lori Perfetto.

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SECOND CLAIM FOR RELIEF
Avoidance of Fraudulent Transfers

(11 U.S.C. §§ 544, 548(a)(1)(B), California Civil Code §§ 3439, *et seq.*)

60. Plaintiff realleges and incorporates by reference in this claim for relief Paragraphs 1 through 59 of this Complaint as though fully set forth herein.

61. The Transfers were transfers of an interest of the Consolidated Debtors in property.

62. The Transfers alleged herein were made on or within four (4) years before the Petition Date.

63. Plaintiff is informed and believes and thereon alleges that each Transfer was made to or for the benefit of Defendant.

64. As alleged in Paragraphs 10–46 above, Plaintiff is informed and believes and thereon alleges that during the four years before the Petition Date, Nevett operated a Ponzi-like scheme.

65. Plaintiff is informed and believes and thereon alleges that the Transfers to Defendant were made as part of this scheme and Defendant knew or should have known that the Transfers were part of this scheme.

66. Plaintiff is informed and believes and thereon alleges that the Debtors received less than reasonably equivalent value in exchange for the Transfers.

67. As alleged in Paragraphs 10–46 above, Plaintiff is informed and believes and thereon alleges that the Debtors were insolvent on the date that the Transfers were made or became insolvent as a result of the Transfers.

68. As alleged in Paragraphs 10–46 above, Plaintiff is informed and believes and thereon alleges that, at the time of each Transfer, the Debtors were engaged in business or transactions, or were about to engage in business or transactions, for which any property remaining with the Debtors was unreasonably small capital.

69. As alleged in Paragraphs 10–46 above, Plaintiff is informed and believes and thereon alleges that, at the time of each Transfer, the Debtors incurred debts that were beyond the Debtors' ability to pay as such debts matured.

70. The Transfers constitute fraudulent transfers under 11 U.S.C. Sections 544 and 548(a)(1)(B), and California Civil Code §§ 3439, *et seq.*, and are therefore avoidable by Plaintiff.

71. At the time the Transfers were made, a creditor existed who held an unsecured claim allowable under 11 U.S.C. Section 502, including, but not limited to, Lori Perfetto.

THIRD CLAIM FOR RELIEF
Recovery of Avoided Transfers or Value Thereof
(11 U.S.C. § 550)

72. Plaintiff realleges and incorporates by reference in this claim for relief Paragraphs 1 through 71 of this Complaint as though fully set forth herein.

73. Plaintiff is informed and believes and thereon alleges that upon avoidance of the Transfers under the First and/or Second Claims for Relief alleged herein, Plaintiff is entitled, pursuant to 11 U.S.C. Section 550, to recover for the benefit of the Estate the property transferred or, if the Court so orders, the value of such property from (a) the initial transferee of such transfer or the entity for whose benefit such transfer was made or (b) any immediate or mediate transferee of such initial transferee.

FOURTH CLAIM FOR RELIEF
Disallowance of Claim
(11 U.S.C. § 502(d))

74. Plaintiff realleges and incorporates by reference in this claim for relief Paragraphs 1 through 73 of this Complaint as though fully set forth herein.

75. Plaintiff is informed and believes and thereon alleges that Defendant is an entity from which property is recoverable under 11 U.S.C. Section 550.

76. Plaintiff is informed and believes and thereon alleges that Defendant is a transferee of the Transfers, which are avoidable under 11 U.S.C. Sections 544 and 548, and California Civil Code Sections 3439, *et seq.*, as set forth above.

77. Plaintiff is informed and believes and thereon alleges that Defendant has not paid the amount of the Transfers, or turned over such Transfers, to Plaintiff for which Defendant is liable under 11 U.S.C. Section 550 as set forth in the Third Claim for Relief above.

78. Any and all Claims of Defendant and/or its assignees against the Estate must be disallowed until such time as Defendant pays or turns over to Plaintiff an amount equal to Defendant's liability under 11 U.S.C. Section 550.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

On the First Claim for Relief:

1. For a determination by the Court that each Transfer was a fraudulent transfer within the meaning of 11 U.S.C. Sections 544 and 548(a)(1)(A), and/or California Civil Code Sections 3439, *et seq.*;

2. For a judgment against Defendant avoiding the Transfers in the total amount of at least \$25,000.00, plus any additional amounts according to proof; and

3. For such other and further relief as the Court deems just and proper.

On the Second Claim for Relief:

4. For a determination by this Court that each Transfer was a fraudulent transfer within the meaning of 11 U.S.C. Sections 544 and 548(a)(1)(B), and/or California Civil Code Sections 3439, *et seq.*;

5. For a judgment against Defendant avoiding the Transfers in the total amount of at least \$25,000.00, plus any additional amounts according to proof; and

6. For such other and further relief as the Court deems just and proper.

On the Third Claim for Relief:

7. For a judgment granting Plaintiff the right to recover, for the benefit of the Estate, the property transferred in the Transfers, or if the Court so orders the value of such property, from (a) the initial transferee of such transfer or the entity for whose benefit such transfer was made or (b) any immediate or mediate transferee of such initial transferee; and

8. For such other and further relief as the Court deems just and proper.

On the Fourth Claim for Relief:

9. For a judgment disallowing any Claim of Defendant and/or its assignee(s) against the Debtors' Estate to the extent provided for under 11 U.S.C. Section 502(d); and

10. For such other and further relief as the Court deems just and proper.

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1 On All Claims for Relief:

2 Plaintiff seeks prejudgment and postjudgment interest, attorneys' fees, costs of suit,
3 collection costs thereafter, and all other amounts allowed by law.

4 FINANCIAL LAW GROUP

5
6 Dated: December 14, 2017

By: /s/ Christin A. Batt
Christin A. Batt, Esq.
Attorneys for Leslie T. Gladstone, Trustee

Exhibit A

DUPLICATE COPY



Business Centurion® Card
CHECKPOINT MKET INC
SEAN NEVETT
 Closing Date 02/17/13

OPEN

p. 1/25

Account Ending 6-58004

New Balance**Please Pay By****03/04/13**

See page 2 for Important Information about your account.

Please note, your preset line is [REDACTED]. You have spent [REDACTED].

Membership Rewards® Points

Available and Pending as of 01/31/13

For up to date point balance and full program details, visit membershiprewards.com

Account Summary

Previous Balance
 Payments/Credits
 New Charges
 Fees

New Balance

Days In Billing Period: 28

Customer Care

Pay by Computer
open.com/pbc

Customer Care **Pay by Phone**
 1-800-297-3333 1-800-472-9297

See page 2 for additional information.

↓ Please fold on the perforation below, detach and return with your payment ↓



Payment Coupon
 Do not staple or use paper clips



Pay by Computer
open.com/pbc



Pay by Phone
 1-800-472-9297

Account Ending 6-58004

Enter account number on all documents.
 Make check payable to American Express.

SEAN NEVETT
 CHECKPOINT MKET INC
 1135 TERMINAL WAY
 STE 209
 RENO NV 89502-2168



Please Pay By
03/04/13

Amount Due
 [REDACTED]



Check here if your address or
 phone number has changed.
 Note changes on reverse side.

AMERICAN EXPRESS
 BOX 0001
 LOS ANGELES CA 90096-8000



0000349991060255395

16 H

000063 157/503

DUPLICATE COPY

RECEIVED

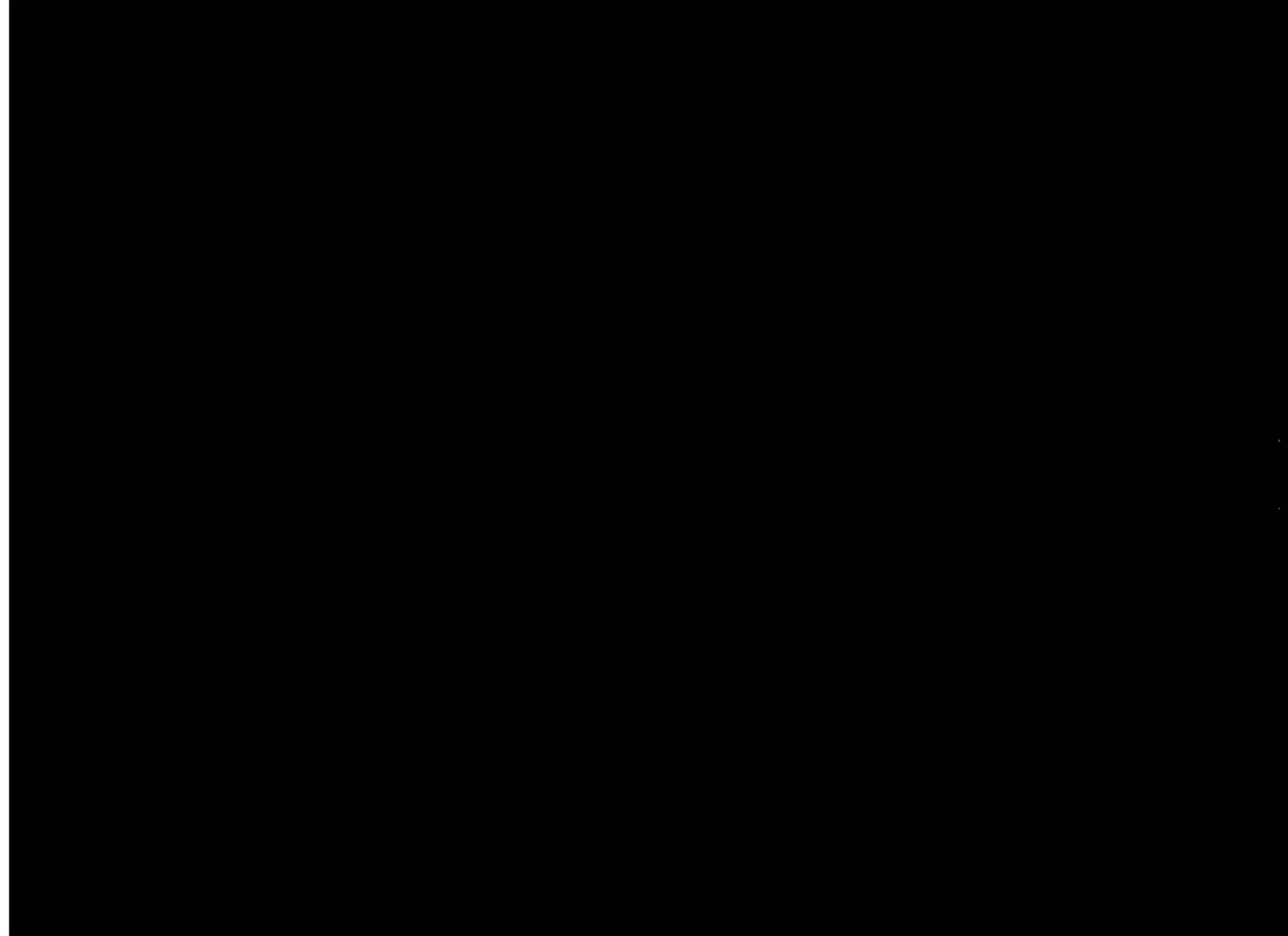
SEAN NEVETT

Account Ending 6-68004

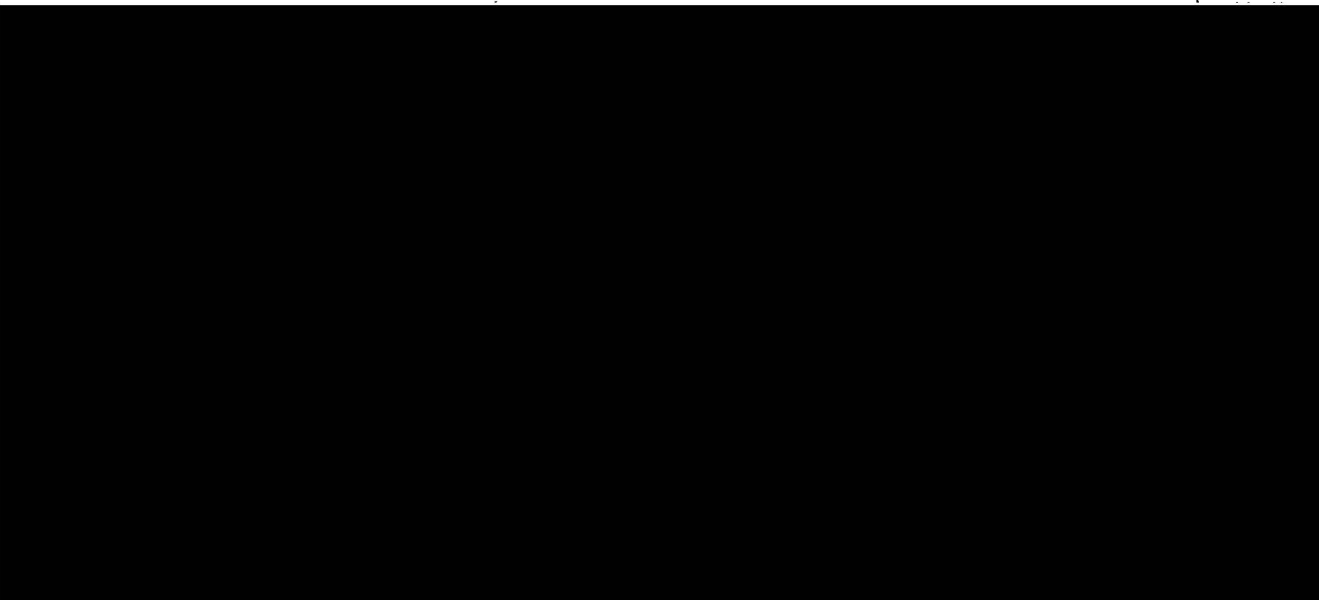
p. 20/25

Detail Continued

*Indicates posting date

Foreign
Spend**Amount**

02/08/13	FreeButton, Inc. FreEnclntas	CA	\$5,000.00
	██████████ 4551		



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DUPLICATE COPY



Business Centurion® Card
CHECKPOINT MKET INC
SEAN NEVETT
 Closing Date 03/20/13

OPEN

p. 1/27

Account Ending 6-58004

New Balance**Please Pay By****04/04/13**

See page 2 for Important Information about your account.



Please note, your preset line is [REDACTED]. You have spent [REDACTED].

Membership Rewards® Points

Available and Pending as of 02/28/13

For up to date point balance and full program details, visit membershiprewards.com**Account Summary**

Previous Balance
 Payments/Credits
 New Charges
 Fees

New Balance

Days In Billing Period: 31

Customer Care

Pay by Computer
open.com/pbc

Customer Care
 1-800-297-3333

Pay by Phone
 1-800-472-9297



See page 2 for additional information.

↓ Please fold on the perforation below, detach and return with your payment. ↓



Payment Coupon
 Do not staple or use paper clips



Pay by Computer
open.com/pbc



Pay by Phone
 1-800-472-9297

Account Ending 6-58004

Enter account number on all documents.
 Make check payable to American Express.

SEAN NEVETT
 CHECKPOINT MKET INC
 1135 TERMINAL WAY
 STE 209
 RENO NV 89502-2168



Please Pay By
04/04/13

Amount Due

Check here if your address or
 phone number has changed.
 Note changes on reverse side.

AMERICAN EXPRESS
 BOX 0001
 LOS ANGELES CA 90096-8000



0000349991060255395

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DUPLICATE COPY

12/28/17

SEAN NEVETT

Account Ending 6-58004

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Detail Continued

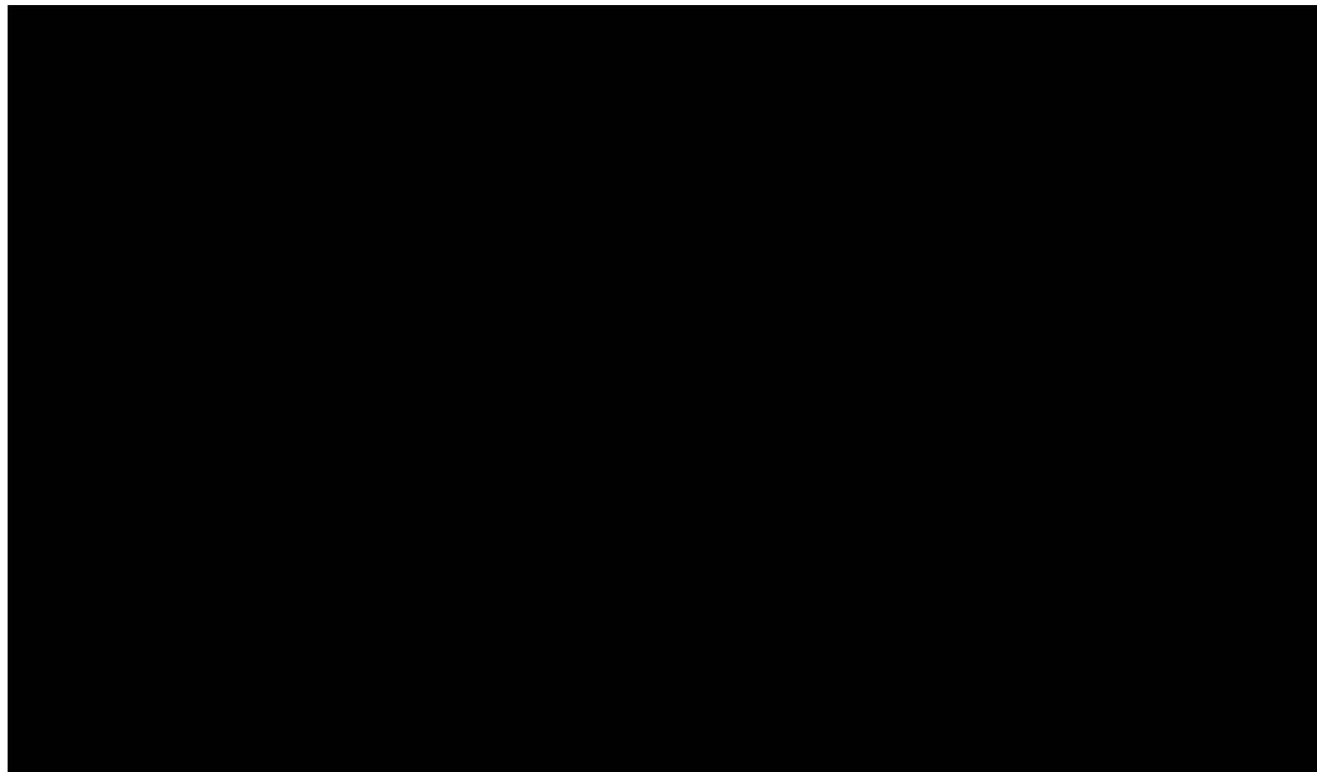
*Indicates posting date

Foreign
Spend

Amount



03/15/13	FreeButton, Inc. FreSolana Beach	CA	\$20,000.00
	██████████	4551	



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